

2026 POLICY GUIDES

Agricultural Business Startup Incentives

Issue

Strengthening Nebraska's rural economy is of paramount importance. Currently, there are few incentives in the ImagiNE Nebraska Act, the Nebraska Advantage Act, and the Site and Building Development Act that are available to agricultural business startups.

Background

Two of Nebraska Farm Bureau's board-approved priorities are growing Nebraska's livestock industry and supporting agriculture-related economic development. To encourage agricultural business startups through Nebraska's primary incentive programs, Nebraska would need to adjust statutory language to lower entry barriers, broaden qualifying activities, and prioritize early-stage capital needs.

The ImagiNE Nebraska Act replaced the Nebraska Advantage Act in 2021. It currently requires specific investment and employment benchmarks, which can be difficult for small startups to hit. Lowering the minimum threshold to create a resolute Ag-Tech Startup Tier to \$100,000 and two employees specifically for ag-startups would broaden accessibility. Explicitly adding precision agriculture technology development or sustainable agriculture-input manufacturing to the list of qualified business activities would be beneficial. Allowing startups to access the ImagiNE Revolving Loan Fund based on projected credits rather than earned credits and providing critical early-stage infrastructure and job training capital would provide much-needed boosts to rural startups.

While the Nebraska Advantage Act stopped accepting new applications on Dec. 31, 2020, its framework (like the Rural Development Act) remains influential. The Rural Development Act specifically targeted rural investment. Modifying it to include a Beginning Ag-Processor track with higher wage credits (e.g., 10% instead of 6%) would incentivize startups to stay in rural Nebraska. Currently, livestock modernization requires a \$50,000 investment. Extending low-threshold rules to Agricultural Technology and Software startups would create a similar incentive for non-livestock ag businesses.

Farm Bureau Policy

NONE

Questions

- Would Nebraska Farm Bureau (NEFB) support or oppose creating such incentives to advance efforts to grow Nebraska's livestock industry and strengthen the rural economy?
- To what extent do NEFB members consider solutions such as those proposed to be effective in generating a stronger rural economy?
- What are the appropriate guardrails that NEFB members want in place to ensure the best return on the state's investment?